

## **Balanced Budget Amendment Isn't the Real, Bipartisan Solution Needed to Reduce the Deficit and Restore Balance**

*"The proposal that Republican leaders plan to bring up is, frankly, nuts....The truth is that Republicans don't care one whit about actually balancing the budget. If they did, they would want to return to the policies that gave us balanced budgets in the late 1990s...They prefer to delude voters with pie-in-the-sky promises that amending the Constitution will painlessly solve all our budget problems."*

– Former Reagan Economic Advisor Bruce Bartlett [[11/15/11](#)]

Today the House will consider a balanced budget amendment. Democrats support balancing our budget and have worked to restore fiscal discipline, but today's amendment is not the way to do it. With millions of Americans out of work and our economy still recovering from the recession, the balanced budget amendment could have harmful consequences by:

- Increasing the risk of default on our nation's obligations by requiring a 3/5 vote to raise the debt ceiling
- Making it difficult for the United States to respond to a crisis by requiring specific legislation and a majority vote to 'run a deficit' in a time of war, which would slow down the U.S. response time in a time of war, and requiring a 3/5 vote to 'run a deficit' and respond to a domestic crisis
- Hurting job creation by eliminating approximately 15 million jobs and tanking the economy, according to estimates by nonpartisan economists with Macroeconomic Advisers LLC
- Taking spending decisions out of the hands of the legislative branch and giving the Courts the authority to decide to raise taxes, or cut investments to bring the budget back to 'balance'

Republicans contend this bill is similar to the balanced budget amendment passed by the House in 1995. However, since then, Republicans have been fiscally reckless – abandoning pay-go rules to pay for what we buy, exploding deficits, taking our country to the brink of a government shutdown, and threatening to default on our nation's obligations. While Republicans claim that they want to restore fiscal responsibility, their track record doesn't offer any optimism that they will put partisan politics aside and act responsibly in the event of an emergency:

- 2001-2006: Republicans opposed PAYGO and let it lapse. Rather than paying for what they bought, Republicans exploded the deficit by spending enormous sums on two wars, a prescription drug program and tax cuts.
- January 2011: Republicans' first act when they took the House majority was to pass a Rules package that paves the way for adding nearly \$5 trillion to the deficit.
- April 2011: A few months after they took the House majority, Republicans took us to the brink of a government shutdown by putting forward divisive and ideological solutions rather than coming together to fund the government and keep the economy growing.
- July 2011: For months, Republicans held our economy hostage to their partisan agenda and refused to compromise on a plan to pay our nation's bills, nearly causing our nation to default.
- September 2011: Again, Republicans nearly took us to the brink of a government shutdown, placing jobs and disaster relief at risk.

Democrats do not have the confidence that today's Republicans would allow us to take necessary action during an emergency. We have fought for fiscal responsibility and proven that it does not take a Constitutional amendment to reduce the deficit and balance our budget. Democrats have balanced the budget before by making tough choices and paying for what we bought. And we can do it again – by putting aside partisan differences and by compromising on a bipartisan plan that will balance our budget, create jobs, strengthen our entitlements and ensure all Americans pay their fair share.